

Hearing Date: December 20, 2017, 9:30 a.m. (AST)

**UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF PUERTO RICO**

In re:

The Financial Oversight and Management Board for
Puerto Rico,

as representative of

The Commonwealth of Puerto Rico, et al.,

Debtors.¹

PROMESA

Title III

No. 17 BK 3283-LTS

In re:

The Financial Oversight and Management Board for
Puerto Rico,

as representative of

Puerto Rico Sales Tax Financing Corporation
("COFINA"),

Debtor.

PROMESA

Title III

No. 17 BK 3284-LTS

**LIMITED RESPONSE OF THE MUTUAL FUND GROUP TO AMBAC ASSURANCE
CORPORATION'S MOTION FOR ENTRY OF ORDER AUTHORIZING DISCOVERY
UNDER BANKRUPTCY RULE 2004**

Mutual funds managed by OppenheimerFunds, Inc., Franklin Advisers, Inc., and the First Puerto Rico Family of Funds (collectively, the "**Mutual Fund Group**") hereby files this limited response ("**Limited Response**") to *Ambac Assurance Corporation's Motion for Entry of Order*

¹ The Debtors in these Title III Cases, along with each Debtor's respective Title III case number and the last four (4) digits of each Debtor's federal tax identification number, as applicable, are the (i) Commonwealth of Puerto Rico (Bankruptcy Case No. 17 BK 3283-LTS) (Last Four Digits of Federal Tax ID: 3481); (ii) Puerto Rico Sales Tax Financing Corporation (Bankruptcy Case No. 17 BK 3284-LTS) (Last Four Digits of Federal Tax ID: 8474); (iii) Puerto Rico Highways and Transportation Authority (Bankruptcy Case No. 17 BK 3567-LTS) (Last Four Digits of Federal Tax ID: 3808); (iv) Employees Retirement System of the Government of the Commonwealth of Puerto Rico (Bankruptcy Case No. 17 BK 3566-LTS) (Last Four Digits of Federal Tax ID: 9686); and (v) Puerto Rico Electric Power Authority (Bankruptcy Case No. 17 BK 4780-LTS) (Last Four Digits of Federal Tax ID: 3747) (Title III case numbers are listed as Bankruptcy Case numbers due to software limitations).

Authorizing Discovery Under Bankruptcy Rule 2004 [Dkt. # 1873] (the “**Motion**”).² In support of this Limited Response, the Mutual Fund Group respectfully states as follows:

1. The Mutual Fund Group’s funds purchase and hold municipal bonds on behalf of hundreds of thousands of ordinary investors across the United States and Puerto Rico who invest in our funds to save for important life expenses. The Mutual Fund Group has been investing in Puerto Rico for over 30 years.

2. The Mutual Fund Group holds approximately \$2.8 billion in accreted principal amount of uninsured COFINA bonds, including \$759 million in senior COFINA bonds and \$2.1 billion in subordinate COFINA Bonds.

3. The members of the Mutual Fund Group are substantial financial creditors in COFINA’s Title III case. Like Ambac, the Mutual Fund Group has financial exposure to COFINA bonds in magnitude of billions of dollars. The Mutual Fund Group therefore has a similar interest in receiving any information that may be produced, and in participating in any depositions that may be taken, concerning how the collection of the SUT has been affected by Hurricane Maria.

4. Accordingly, the Mutual Fund Group respectfully requests that any order granting Ambac’s Motion provide that (i) any documents or information produced to Ambac be simultaneously produced to the Mutual Fund Group, and (ii) the Mutual Fund Group be allowed to participate in any depositions that may be taken.

We hereby certify that, on this same date, we electronically filed the foregoing with the clerk of the Court using the CM/ECF system, which will notify the attorneys of record.

² Capitalized terms used but not otherwise defined herein shall have the meaning ascribed to such terms as in the Motion.

RESPECTFULLY SUBMITTED,

In San Juan, Puerto Rico, today December 8, 2017.

**TORO, COLÓN, MULLET, RIVERA
& SIFRE, P.S.C.**

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